Dear Peer Reviewer:

Thank you for agreeing to review the SmartWay shipper and logistics emissions assessment tools that will be used in the US EPA SmartWay^{SM} Transport Partnership program. The peer review is a critical component of EPA's efforts to ensure our tools reflect the best available information and that our emissions quantification methods will meet shippers' emissions accounting needs by using assumptions, data, and approaches that are reasonable and appropriate. Accordingly, it is important that that peer reviewers not only bring a high level of expertise, but also that they be free of any real or apparent conflicts of interest. In an effort to ensure this, I ask that you consider the following questions:

a) Do you know of any reason that you might be unable to provide impartial advice on any matter to come before the peer review panel or any reason that your impartiality in the matter might be questioned?

b) Have you had any previous involvement with the review document(s) under consideration? If so, please identify and describe that involvement.

c) Have you served on previous advisory panels, committees or subcommittees that have addressed the topics under consideration? If so please identify those activities. (Those of you who served on the peer review panel for the SmartWay truck carrier tool need not identify that.)

d) Have you made any public statements that would indicate to an observer that you have taken a position on any issue under consideration? If so, please identify those statements.

If the answer to any of these questions is "yes," it does not necessarily mean you are disqualified from participating, however, EPA needs to be aware of the particulars. You should contact Erik Herzog, the peer review coordinator, whose e-mail address and phone number are at the end of this letter, to discuss them.

Your primary focus will be to evaluate the technical assumptions and methodologies used in the shipper tool, as outlined in the supporting documentation. Note that EPA will also be releasing a separate tool to help logistics companies evaluate their emissions performance. This tool will be similar to the shipper tool except that it will lack certain features; in particular, the "Emissions or Percent SmartWay" tab, and the "Percent SmartWay," and "Shipper Strategies" tabs.

This version of the SmartWay shipper tool is focused on freight movements in the U.S. rail and trucking sectors. While we are primarily interested in your feedback on the features of the tool that support shippers' efforts to manage their emissions from moving goods in the U.S. rail and truck freight sectors (as well as EPA's ability to evaluate shippers' emissions performance), we also welcome input on additional tool features that could support shippers' efforts to manage their emissions from moving goods in other freight sector modes domestically, and across the global freight transportation supply chain. Our long-term vision is to provide our shipper partners with tools to help them evaluate the emissions performance of their full freight transportation supply chain.

When making recommendations for alternate methodologies and/or data, please provide suggestions on how recommendations can be implemented. Your comments should be sufficiently detailed to allow thorough understanding by EPA.

We would especially appreciate comments on the following areas and specific questions:

1. Does the tool collect sufficient data to develop credible, robust CO_2, PM, and NO_x emission inventories from SmartWay shippers' rail and truck freight movements? Does the tool provide sufficient outputs to help SmartWay shippers track their emissions performance over time? Are there other data, or ways of organizing the data, you believe would help shippers better manage their energy, GHG, or air quality performance? Can the tool be improved in any way to better assist shippers with emissions performance benchmarking and reduction analysis?
2. Is it clear exactly what data point is required for each field? Are there any additional definitions or guidance we should add or clarifications we should make to ensure consistent reporting?
3. Are the underlying equations in the tool sound?
4. Is our guidance on populating the data source description fields comprehensive and reasonable? Please offer any suggestions for additional data sources shippers might use, along with your suggested ranking of data sources in terms of quality of the data. Are there any additional descriptions or guidance EPA could give that would improve the quality and consistency of the information shippers provide in the data descriptions tab?
5. What are shippers' most common sources of distance data? For shippers that cannot obtain mileage or ton-mileage data on their shipments (from truck, rail, or multi-modal rail-truck carriers), how would you recommend they estimate miles and ton-miles for each of these modes?
6. Can you offer any suggestions regarding existing approaches to or research on estimating the emissions impact of shipper strategies (i.e., operational strategies to reduce weight and VMT such as distribution center relocation and better packaging) that could help us to develop better guidance and/or tool features to improve the robustness of the estimates in future versions of the tool? (see Shipper Strategies Tab in the tool)
7. Is there a feasible methodology or guidance EPA can give shippers to include repositioning, empty, and out-of-route miles in their emissions inventories?
8. Do the illustrative industry average emission factors for truck and rail appear reasonable? Do they appropriately reflect the best available data? Are there additional data or sources of data that should be considered? (For details on these factors, see both the Technical Document as well as the separate document included in your peer review packet entitled, "Summary of Findings and Proposals from Research on Average U.S. Freight Truck and Rail Emission Performance Metrics")
9. Are the emission factors for the air and marine modes which we reference in the Technical Document reasonable enough and supported by robust enough data for shippers to use in the modal shift tab, or is more research needed on these modes?
10. As you will see in the Technical Document and Emissions Footprint Tab in the tool, we are planning to provide "bin-level" truck carrier emissions performance data to shippers. Is our approach to developing this bin-level data – including our selection of carrier categories,

presentation of the bin #, and presentation of average factors from bins (representing equal ranges of the given emissions metric) – appropriate and helpful in terms of supporting shippers' evaluation of carrier emissions performance? Please note that the carrier data provided for this review is hypothetical and does not reflect the emissions performance of any actual carrier.

11. We are in the process of re-evaluating our approach to creating a single, composite emissions performance rating for shipper partners. As part of this research we are considering a new way to evaluate shipper emissions performance that continues to reflect both the amount of freight they ship with SmartWay carriers and the emissions performance of those carriers. We are considering rating each truck carrier by their "bin #" (1-10), weighting the truck carrier's g/mile and g/ton-mile bin # equally, and continuing to incorporate both CO2 and criteria pollutant performance into the truck carrier's rating (although we will likely weight CO2 more heavily than we have done in the past to compensate for natural fleet turnover to cleaner 2007 and newer trucks). Shipper ratings would reflect carrier ratings. We welcome any suggestions you have on creating a single rating for overall shipper emissions performance.
12. We are considering several options for giving shippers rail and multimodal carrier g/mile performance data in future versions of the tool (currently, the tool only presents g/ton-mile data for rail and multimodal carriers because robust rail carrier-specific g/mile data is not currently available). These options are summarized in the attached paper, "Options for Treatment of Rail g/mile in SmartWay Tools." Please comment on the general concept of providing g/mile performance data for rail and multimodal carriers in the shipper tool, the strengths and weaknesses of each option outlined in the attached paper (please indicate which option you feel would be the best approach and why), and any additional methods you recommend keeping in mind that SmartWay will also include air and marine modes in the near future.
13. Is the Technical Document adequate to understand the tool?
14. Is the User Guide appropriate and useful for understanding the tool?
15. Is the graphical user interface appropriate? How can it be improved?
16. Is the terminology and nomenclature in the tool clear and accurate?
17. What additional features would be useful to include in the tool?
18. As time permits, please evaluate the tool itself for usability.
19. Please provide any other recommendations that could improve the utility of this tool to assess the emissions footprint of shipper supply chain freight transport operations and establish common industry emissions performance benchmarks.
20. Please share any thoughts, recommendations or perspectives on how a tool such as this may most effectively be utilized as a carbon accounting and reporting resource, and its applicability to existing protocols such as the GHG Protocol (Scope 3 guidance) and Carbon Disclosure project, among others.

Your comments should be provided as an enclosure to a cover letter that clearly states your name, the name and address of your organization, what material was reviewed, a summary of your expertise and qualifications, and a statement that you have no real or perceived conflicts of interest. Please e-mail this letter along with your comments in MS Word 2003 or a format that can be imported into Word 2003 to herzog.erik@epa.gov.

Additionally, we request that you please not provide the peer review materials or your comments to anyone other than EPA to allow us to complete our process.

We would appreciate receiving the results of this peer review in the shortest time frame possible, but no later than May 13. If you have any questions about what is required in order to complete this review, or if you find you need additional background material, please contact Erik Herzog by phone at (734) 214-4487 or by email at herzog.erik@epa.gov.

Thank you again for your time and consideration.

Sincerely,

Cheryl L. Bynum, Manager
SmartWay Transport Partnership Program